



## SECURITIES AND EXCHANGE COMMISSION

[SEC File No. 270-501, OMB Control No. 3235-0559]

### Submission for OMB Review; Comment Request; Extension: Rule 203A-2(e)

Upon Written Request, Copies Available From:

Securities and Exchange Commission

Office of FOIA Services

100 F Street, NE

Washington, DC 20549-2736

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) (“PRA”), the Securities and Exchange Commission (“Commission”) has submitted to the Office of Management and Budget (“OMB”) a request for extension and approval of the previously approved collection of information discussed below.

Rule 203A-2(e),<sup>1</sup> which is entitled “Internet investment advisers,” exempts from the prohibition on Commission registration an Internet investment adviser who provides investment advice to all of its clients exclusively through computer software-based models or applications termed under the rule as “interactive websites.”<sup>2</sup> These advisers generally would not meet the statutory thresholds currently set out in section 203A of the Advisers Act<sup>3</sup> because they do not manage \$25 million or more in assets and do not advise registered investment companies, or they manage between \$25 million and \$100 million in assets, do not advise registered investment companies or business

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<sup>1</sup> 17 CFR 275.203A-2(e).

<sup>2</sup> Included in rule 203A-2(e) is a limited exception to the interactive website requirement which allows these advisers to provide investment advice to fewer than 15 clients through other means on an annual basis. 17 CFR 275.203A-2(e)(1)(i). The rule also precludes advisers in a control relationship with an SEC-registered Internet adviser from registering with the Commission under the common control exemption provided by rule 203A-2(b) (17 CFR 275.203A-2(b)). 17 CFR 275.203A-2(e)(1)(iii).

<sup>3</sup> 15 U.S.C. 80b-3a(a).

development companies, and are required to be registered as investment advisers with the states in which they maintain their principal offices and places of business and are subject to examination as an adviser by such states.<sup>4</sup> Eligibility under rule 203A-2(e) is conditioned on an adviser maintaining in an easily accessible place, for a period of not less than five years from the filing of Form ADV,<sup>5</sup> a record demonstrating that the adviser's advisory business has been conducted through an interactive website in accordance with the rule.<sup>6</sup>

This record maintenance requirement is a "collection of information" for PRA purposes. The Commission believes that approximately 231 advisers are registered with the Commission under rule 203A-2(e), which involves a recordkeeping requirement of approximately four burden hours per year per adviser and results in an estimated 924 of total burden hours (4 x 231) for all advisers.

This collection of information is mandatory, as it is used by Commission staff in its examination and oversight program in order to determine continued Commission registration eligibility of advisers registered under this rule. Responses generally are kept confidential pursuant to section 210(b) of the Advisers Act.<sup>7</sup> An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid control number.

The public may view background documentation for this information collection at the following website: [www.reginfo.gov](http://www.reginfo.gov). Find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the

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<sup>4</sup> *Id.*

<sup>5</sup> The five-year record retention period is a similar recordkeeping retention period as imposed on all advisers under rule 204-2 of the Advisers Act. See rule 204-2 (17 CFR 275.204-2).

<sup>6</sup> 17 CFR 275.203A-2(e)(1)(ii).

<sup>7</sup> 15 U.S.C. 80b-10(b).

search function. Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to (i) MBX.OMB.OIRA.SEC\_desk\_officer@omb.eop.gov and (ii) David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John Pezzullo, 100 F Street, NE, Washington, DC 20549, or by sending an email to: PRA\_Mailbox@sec.gov.

Dated: March 20, 2023.

**Sherry R. Haywood,**  
*Assistant Secretary.*

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